

CHAPTER 15-62.2
STUDENT FINANCIAL ASSISTANCE AND SCHOLARS PROGRAM

15-62.2-00.1. Definitions.

As used in this chapter, unless the context otherwise requires:

1. "Applicant" means an individual:
 - a. (1) Who has graduated from a high school in this state;
 - (2) Who has graduated from a high school in a bordering state pursuant to chapter 15.1-29; or
 - (3) Who is a resident of this state for tuition purposes; and
 - b. Whose assessment composite scores on the test of academic achievement administered by ACT, Inc., place the individual in at least the ninety-fifth percentile of all students taking the test by July first of the year preceding the year in which the individual is enrolled as a full-time resident student in an eligible institution.
2. "Eligible institution" means an accredited public or private postsecondary institution located in this state and offering a program of instruction at least equal in length to two academic years.
3. "Full-time resident student" means an individual who:
 - a. (1) Has graduated from a high school in this state;
 - (2) Has graduated from a high school in a bordering state pursuant to chapter 15.1-29; or
 - (3) Is a resident of this state for tuition purposes; and
 - b. Is enrolled at an eligible institution carrying a course of study which is "full time" as defined by the eligible institution.
4. "Scholar" means a full-time resident student who is awarded a scholarship or who has previously received a scholarship.
5. "Scholarship" means a financial award granted to a state scholar as determined by this chapter.

15-62.2-01. Student financial assistance and scholars programs - Establishment - Administrative responsibility.

1. The North Dakota student financial assistance and scholars programs are established to provide grants or scholarships, or both, to assist the following students:
 - a. Resident undergraduate students pursuant to section 15-10-19.1.
 - b. North Dakota resident students who have attended and graduated from a high school in a bordering state pursuant to chapter 15.1-29 and who are attending qualified institutions of postsecondary education within North Dakota.
 - c. North Dakota resident students who, because of a physical or mental disability certified by a physician, are attending postsecondary institutions out of state due to the lack of special services or facilities necessary to meet the postsecondary educational needs of disabled students within North Dakota.
 - d. Scholars who qualify and are selected for scholarships pursuant to sections 15-62.2-00.1 and 15-62.2-03.1 through 15-62.2-03.5.
2. A student must be in substantial need of financial assistance to receive grants under the student financial assistance program. A grant must be paid directly to an eligible institution on behalf of a student.
3. The state board of higher education shall administer the student financial assistance program and the scholars program.
4. At least twenty-three and one-half percent of the funds appropriated for the student financial assistance program must be allocated to students at private baccalaureate degree-granting institutions with the remaining funds allocated to students at public and American Indian institutions.

15-62.2-02. State board of higher education - Powers and duties.

The state board of higher education shall:

1. Administer the North Dakota student financial assistance program and the North Dakota scholars program and adopt functional rules regarding the eligibility and selection of grant and scholarship recipients.
2. Determine the amount of individual grants, which may not exceed one thousand five hundred dollars per recipient per academic year, under the North Dakota student financial assistance program.
3. For the North Dakota student financial assistance program, adopt criteria for substantial need, based upon the ability of the parents or guardian to contribute toward the applicant's educational expenses.
4. Establish the appropriate procedures for fiscal control, fund accounting, and necessary reports.
5. Apply for, receive, expend, and administer granted moneys from federal or private sources.

15-62.2-03. Advisory board - Membership - Appointment - Authority.

There is hereby created and established a North Dakota student financial assistance program advisory board, which must consist of three practicing financial aid officers, one chief administrator of a postsecondary educational institution, one chief fiscal officer of a postsecondary educational institution, one full-time secondary school counselor, and one student enrolled full time at a postsecondary educational institution. All advisory board members are to be selected from North Dakota educational institutions, except that no single institution may provide more than one member. The advisory board members will be appointed and have terms designated by the state board of higher education. Advisory board members must be reimbursed for travel expenses in the same manner and amounts as other state officials and employees. The advisory board has the responsibility to advise the state board of higher education on all matters relating to the North Dakota student financial assistance program and to act as a liaison between the state board of higher education and the participating institutions of postsecondary education.

15-62.2-03.1. Administration of scholars program.

The board of higher education shall administer the scholars program and shall adopt procedures and guidelines necessary to carry out the purposes of this chapter. The state board of higher education shall establish appropriate procedures for fiscal control, fund accounting, and necessary reports.

15-62.2-03.2. Reapplication eligibility - Amount of scholarships - Duration.

Scholars are eligible for scholarships for subsequent academic years provided they maintain at least a 3.50 cumulative grade point average based upon a 4.0 grading system. The amount of the scholarship must equal the tuition charged at the scholar's eligible institution, not to exceed the highest resident undergraduate tuition rate in the North Dakota university system. In addition, a state scholar may receive an annual stipend of not more than two thousand dollars. A state scholar may receive a scholarship for not more than eight semesters or twelve quarters of undergraduate study or until the attainment of the student's baccalaureate degree, whichever comes first.

15-62.2-03.3. Selection of scholars.

1. All applicants must be ranked by their composite scores on the test of academic achievement administered by ACT, Inc.
2. If two or more applicants have the same composite scores, they must be ranked by the numeric sum of the four scale scores on the test of academic achievement administered by ACT, Inc.
3. If two or more applicants have the same composite scores and the same numeric sum of the four scale scores, they must be ranked by the numeric sum of their English and mathematics scores.

4. The state board of higher education may establish additional criteria to rank applicants who have the same numeric sum of their English and mathematics scores.
5. Scholarships must be offered to applicants in descending order according to this ranking until available funds have been expended or until the pool of applicants has been exhausted.

15-62.2-03.4. Payment of scholarships.

One-half of the annual scholarship must be paid to each scholar at the beginning of the fall semester and one-half at the beginning of the spring semester for students attending institutions on the semester system. One-third of the scholarship must be paid to each scholar at the beginning of each quarter for scholars attending institutions on the quarter system. Payments must not be made until the scholar's enrollment and full-time resident student status has been certified by the eligible institution the student is attending. Scholarship funds must be paid by warrant-check prepared by the office of management and budget upon vouchers prepared for this purpose.

15-62.2-03.5. Use of funds - Refund policy.

Scholarships may be used to defray costs of tuition, fees, room, board, books, supplies, and other expenses incidental to attending an eligible institution. If a scholar discontinues attendance before the completion of any semester or quarter for which a scholarship has been received, any refund is governed by the published refund or repayment policy of the eligible institution.

15-62.2-04. Funds received by the state board of higher education - Where deposited - How appropriated - How expended.

Funds received by the state board of higher education must be deposited in the state treasury in special funds to be known as the North Dakota student financial assistance fund and the North Dakota scholarship fund and expended in accordance with legislative appropriations. All expenditures from these funds must be paid by warrant-check prepared by the office of management and budget upon vouchers submitted by the state board of higher education.

15-62.2-05. Annual report.

The state board of higher education shall provide to the legislative council an annual report regarding the number of North Dakota academic scholarships and career and technical education scholarships provided and demographic information pertaining to the recipients.